FBIS DAILY REPORT

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REPORTAGE ON COSTA MENDEZ, CABINET RESIGNATIONS

Cabinet Resignations Denied

PY161326 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1250 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- Although Public Information Secretary Ricardo Baltierrez said after the cabinet meeting last night that "no reference had been made to resignations," the press reported that Foreign Minister Nicanor Costa Mendez proposed that all the members of the national cabinet resign.

This proposal was allegedly made during the cabinet meeting presided over by Lieutenant General Leopoldo Fortunato Galteirri. This meetings was held yesterday evening while a popular protest was being staged in Plaza de Mayo which was strongly repressed by the police.

According to the reports, Costa Mendez' proposal was well received by Interior Minister Alfredo Saint Jean, but the majority of the other members allegedly opposed further complicating the present crisis.

After the cabinet meeting, Baltierrez told the journalists accredited to Government House that "none of the members of the national cabinet had submitted his resignation during the meeting."

Baltierrez had also stated that the main subject which had been discussed during the meeting had been the situation on the Malvinas Islands and some aspects of the visit Pope John Paul II paid to Argentina.

Asked by a journalist whether the subject of resignations had been discussed during the meeting, Baltierrez replied: "I was present at the meeting, but I have no knowledge of that subject you say came up at the meeting."

Military Uneasy

PY161623 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1615 GMT 16 Jun 82

[Excerpt] Buenos Aires, 16 Jun (NA) -- It was leaked today by responsible sources that remarks made by Nicanor Costa Mendez have provoked unease among the high military commands, who have presumably asked for the foreign minister's resignation.

According to sources, the military presumably condemned the minister's use of the word "surrender" when he referred yesterday to the causes for the cease-fire in the Malvinas.

Costa Mendez Resignation

PY162305 Paris AFP in Spanish 2250 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (AFP) -- Foreign Minister Nicanor Costa Mendez has presented a verbal resignation from his post, the chief of his advisers reported tonight.

The reasons for his resignation are not disagreement but a feeling of contribution and unselfishness, the official stated.

It was not known whether President Leopoldo Galtieri had accepted it.

Saint Jean Resignation Denied

PY170159 Buenos Aires TELAM in Spanish 0040 GMT 17 Jun 82

[Text] Buenos Aires, 17 Jun (TELAM) -- Interior Ministry Under Secretary Col Bernardo Menendez tonight denied that Interior Minister Div Gen Alfredo Oscar Saint Jean has submitted his resignation from his post.

When Public Information Secretary Rodolfo Baltierrez was asked whether Foreign Minister Costa Mendez had resigned, he merely referred to the report released this evening by San Martin Palace.

Baltierrez was also asked when the government will answer the request made by Great Britain regarding the ratification of the surrender [rendicion] of Argentine troops in order to start handing over prisoners. He stated: The government has appropriate organizations and these appropriate high-level organizations will give you the information you are asking me for.

DEFENSE MINISTER ON OUTCOME OF FALKLANDS CONFLICT

PY162345 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2025 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- Defense Minister Amadeo Frugoli stated today that "beyond the adverse result in the military field" which Argentina experienced in the conflict with Great Britain, there are "many other important things we can be proud of."

In remarks to NOTICIAS ARGENTINAS he added in this regard that since 2 April Argentina "has registered highly significant achievements, both in the international and domestic fields."

In the international field, Frugoli specifically indicated that "mankind now deeply understands" the justice of the Argentine cause in the Malvinas.

He added in this regard that "any aspiration at variance with the sense of history will increasingly become something intolerable," referring to the sustaining of a colonial situation in the archipelago.

He also said that Argentina deserves "the highest consideration by the countries which have expressed their solidarity" with its position due to "the responsibility with which it exercized its legitimate rights as a sovereign nation."

"This means," he stated, "that Argentina will have an increasingly more important presence in the concert of world nations." Frugoli added that the armed forces "in addition to respect, now deserve profound gratitude and admiration because they acted with highly professional capability" during the military actions.

He said that the Argentine soldiers played their role "with courage to the limits of heroism, bravery, with decision and self-denial, with a truly admirable fortitude" which is "an example for all Argentina and for the world."

He said that "this must be and is a reason for legitimate pride for all Argentines."

Concerning the domestic field, he stated that the government action, as far as the islands are concerned, has allowed us to verify that "the national agreement, that is, the unity of hearts on the essential things of life, is intact."

He said that the present is "a perfect starting point to try to solve old and deep Argentine problems." He stated: "Maturity is the force which impels us to undertake any enterprise, regardless of how difficult it may appear."

Frugoli also said that "the greatness of a people is not based on victories alone," and added that "greatness is achieved with sacrifice, with struggle, with efforts and with pain."

He said that all this leads "throughout history" toward "a powerful country, sure of its destiny and looking forward to a successful future."

Commenting on the current moment the country is experiencing, Frugoli stated that "beyond the anxiety we may be experiencing due to the adverse result on the battlefield, we have many more important things we can be proud of" regarding the conflict with Great Britain.

Regarding the reasons for the military failure, he cited "the notable technological superiority of equipment and weapons and the larger number of troops" of the British forces.

COMMUNIQUE ANALYZES REASONS FOR FALKLANDS LOSS

PY170154 Buenos Aires Domestic Service in Spanish 0031 GMT 16 Jun 82

[Joint Staff Communique No 166]

[Text] Regarding the events which prompted the decision to cease fire in the battle at Puerto Argentino and after a thorough analysis following the gathering of all available information, the Joint Staff reports that:

1. On 13 June at 1000, the British forces began an intense bombardment which caused damage to our artillery and support arms.

2. AT 2230 on the same day, they initiated a full-scale attack, basically exploiting their technology for night operation, which was facilitated by the use of special equipment for night vision such as viewers, infrared gunsights, portable guided missiles, laser targeting devices, individiual disposable mortars and so forth.

3. The above-mentioned attack was complemented by the massive support of helicopter gunships specially equipped for night operation, which permitted the enemy great mobility with a minimum of losses to their troops.

4. The operation was planned in three directions: Harriet-Tumbledown; Longdon-Wireless Ridge; and Murrel-Cortley.

At 0500, the enemy managed to break through the defensive front and penetrate into our positions. At the same time, air-transported troops overwhelmed our defenses from the air and landed behind our troops, thus forming a practically unbreakable siege because it forced front changes that were very difficult to make.

5. While the above-mentioned movements were being made, the enemy artillery shelled targets with pinpoint accuracy and the attack helicopter provided supporting fire with special effectiveness and continuity thanks to their advanced arms systems, thus destroying our own artillery and noticeably affecting our communications system and drastically reducing our own combat capability.

6. At early light, 0900, the enemy had taken over prominent heights and key defensive points. The intense fighting continued by activating reserve troops until 1400, at which time the situation became untenable.

7. At 1500 there was a de facto cease-fire without a previous agreement, and the commander of the Malvinas military governorship made the corresponding evaluation, reaching the conclusion that it was impossible to continue resisting without causing useless bloodshed.

8. In view of the above, the governor agreed to a cease-fire with the commander of the British forces, a decision exclusively referring to actions by troops under the former's command.

9. From the analysis of all the combat actions which took place in the Malvinas area, it can be concluded:

9.1. That Puerto Argentino was taken due to the net superiority in means and technology of the British forces.

9.2 That these means were used only when the enemy began its final offensive and when it was sure of victory, because without these means this victory would have been extremely difficult.

9.3 That these means, many of which were totally new and unknown even on the world weapons market, turned the Malvinas operations area into a field for experiments and tests.

9.4 That the logistics were provided by the United States.

9.5 That the British themselves have recognized that the professional capability, bravery and spirit of our troops have been a barrier which could be overcome only through a net superiority in materiel, both in quality and quantity.

9.6 That there is no alternative but to recognize that the technical superiority and the availability of means have been the reasons for this partial victory by Great Britain.

10. That the fact that the world markets for the purchase of weapons have been closed to us had an important effect on the development of the operations.

11. It should be taken into special consideration in making an assessment that despite our inferior technological capability, difference in means and the impossibility of replacing materiel, our armed forces, with personality, bravery and decision, not only confronted Great Britain -- one of the front-ranking powers in the world and supported by the United States, the EEC, and with the consent of NATO -- but also caused disproportionate damage considering the imbalance of forces and means of opposition.

OFFICIAL ON PLAZA RIOTS, ARMED FORCES COHESION

PY170840 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0300 GMT 17 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- Col Bernardo Jose Menendez, under secretary of the Interior Ministry, asserted tonight that "the government is stable and is carrying out its normal functions." He also stated that "the cohesion of the armed forces is total" in reply to a question about a "leak" from the armed forces which expresses the "dismay and sadness" of the forces at the incidents that took place in Plaza de Mayo yesterday.

In statements made in the journalists room at Government House he also made it plain that the Interior Ministry "was wholly unfamiliar" with the call made through official media to the rally held at the Plaza de Mayo yesterday and that the riots which occurred there were aimed at "creating a state of insecurity and distrust by using the same tactics which are well known from the decade of the 70's."

Colonel Menendez also referred to the meeting which General Saint Jean held with leaders of political parties today and confirmed that it will continue tomorrow at 1700 with the participation of Foreign Minister Nicanor Costa Mendez and Vice Adm Leopoldo Suarez del Cerro, chief of the Joint Staff.

When asked for an Interior Ministry evaluation of the incidents at Plaza de Mayo last night, Colonel Menendez said that among the people who were present "two groups can be distinguished: one that wished to express -- using a legitimate right -- their opinion under these very exceptional circumstances of the country" and another, "formed by elements who sought to deliberately disturb order by using methods which are well known from the decade of the 70's; they acted in a coordinated manner and caused regrettable events which, in turn, led to the police repression."

When asked why the rally was not stopped, since the openly hostile attitude of the groups gathered there was already evident in the morning, he said that "the order or initiative for the rally did not originate in the Interior Ministry and it was hard to stop a thing that was known too late."

Menendez explained that he was at the Plaza de Mayo in the morning, "and the people gathered there were expressing a state of mind, but they showed no intentions of disturbing." He added that "in the afternoon things changed considerably."

In reply to insistent questions by the journalists, Menendez then repeated that the Interior Ministry had in no way participated in the call made to the people by the official communications media to rally in front of Government House yesterday.

He was then asked why, if the groups gathered at the Plaza de Mayo were well distinguished, "both were repressed with the same violence?" Menendez replied that "on such occasions it is really difficult to distinguish between the representatives of one group or the other."

He was also asked why no advance warning was given, thus enabling people who had not come to participate in hostile acts to withdraw in time. He replied, "I do not know whether there was any advance warning."

He also declined to comment when he was asked if he considered that the Plaza de Mayo police repression was in proportation to the acts committed. He said: "I have reports that regrettable incidents took place, but the deeds provoked by those groups were quite serious; shops were burned, display windows broken, vehicles burned, etc."

The under secretary was asked whether a "leak" spread by the air force expressing its "dismay and sadness" at the Plaza de Mayo incidents did not indicate an alternation of the cohesion among the armed forces. Menendez asserted that "the cohesion of the armed forces is total and I do not believe that the air force leak is important enough to endanger that cohesion."

In reply to insistent questions by journalists, the official stated that "the government is stable and is carrying out its normal functions."

It was also pointed out to the official that the air force "leak" implied that "it had not been consulted" about the call made to the people to gather in the Plaza de Mayo.

Menendez was asked if that did not indicate an "alternation of the cohesion" among the armed forces. He said: "That statement does not endanger the cohesion in the least; the air force expressed its point of view and that is very reasonable."

Regarding the question whether the origin of the call to the rally had been investigated, Menendez stated that he did not know, repeating that the only thing he could say was that the Interior Ministry had had no part in it.

Public Information Secretary Rodolfo Baltierrez was also asked about this subject tonight, since the call to the rally had been made through the official radio and television media. The official only replied: "No comment."

INTERIOR MINISTER MEETS POLITICAL LEADERS 16 JUN

PY162111 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2050 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- A meeting between Interior Minister Alfredo Saint Jean and some political leaders began a few minutes ago. None of the leaders of the Multiparty Group were in attendance.

The following leaders entered Saint Jean's office: Francisco Manrique (Federal Party), Ismael Amit and Cristina Guzman (Popular Federalist Forces), Rafael Martinez Raymonda and Jose de Cara (Progressive Democratic Party), Guillermo Acuna Anzorena (Popular Line), Jorge Abelardo Ramos (Popular Leftist Front), Ernesto Ochoa (Argentine People's Union), Emilio Gianoni (Socialist Democratic Party), Miguel de Riglos (Conservative), Victor Garcia Costa (Popular Socialist Party) and Alfredo de las Carreras (Democratic Conservative Union).

Multiparty Group Declines

PY170234 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2248 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- The Multiparty Group has distanced itself from the military government by deciding not to attend the meeting of political leaders today called by the Interior Ministry, because they feel that "there are no real indications" of a quick return to democracy.

Sources from the group stated that President Leopoldo Galtieri's speech and the police repression against demonstrators at Plaza de Mayo were the main reasons which led the Multiparty Group to reject the invitation extended by the Interior Ministry.

Gen Alfredo Saint Jean met this afternoon at Casa Rosada with approximately 10 political leaders to brief them on the latest events on the Malvinas Islands.

Officials of the Interior Ministry yesterday morning invited the main leaders of the Multiparty Group and of other political parties to hold a meeting in the afternoon with Interior Minister Saint Jean for the purpose of "receiving information on the Malvinas and exchanging opinions."

That meeting was unexpectedly canceled, and the politicians were called again for a new meeting at 1700 today.

Attendance at the meeting was one of the subjects discussed last night by the top leaders of the Multiparty Group and at one point during the meeting, Radical Leader Carlos Contin began an argument with Carlos Auyero, leader of the Christain Democratic Party.

According to sources from the group, Contin proposed attending the meeting with Saint Jean, arguing that it was in keeping with the Radical Group's "natural disposition to hold dialogue." The head of the Integration and Development Movement (MID), Arturo Frondizi, expressed a similar position, while the Peronist representatives were undecided.

Miguel Monserrat proposed attending the meeting "only to listen, and not to give opinions," a formula which seemed to satisfy everyone, including Auyero who had proposed rejecting the invitation.

At the end of the meeting, Peronist Leader Nestor Carrasco held telephone conversations with other members of the Multiparty Group to express his "displeasure" over the presidential message and over the incidents at Plaza de Mayo and in other downtown areas last night. These telephone conversations between politicians continued throughout the night and part of this morning.

The consulted sources indicated that some members of the Multiparty Group agreed in stating that President Galtieri's speech was "incongruous" and "at elementary school level," because "he did not explain anything of what he should have explained."

The sources added that the politicians also agreed to express their puzzlement over the "brutal and violent" repression against the people who had been called "by the government itself."

"These are sufficient indications that the government does not want a quick return to democracy. Therefore, it is very difficult to sit and have some coffee with the minister," they stated.

But anyhow, the permanent Political Board of the Multiparty Group will meet again tomorrow afternoon at the central headquarters of the Radical Civic Union to consider a possible new call by the Interior Ministry.

That meeting of the board will coincide with a session in the same place of the commission in charge of issuing the document which is to be released on Monday.

PARTY LEADERS ON FALKLANDS DEFEAT AFTERMATH

'Government Must Go'

FY170412 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0010 GMT 17 Jun 82

[Text] La Plata, 16 Jun (NA) -- Radical Leader Raul Alfonsin described here today the message released last night by President Leopoldo Galtieri as "strange, threatening and incomprehensively triumphalist." Alfonsin reiterated his demand that "the government must go."

"For 6 years we have been asking the government to go, and for 6 years, as yesterday, we have been told about unity, about recovering the republic, about rebuilding the institutions and restoring democracy," he stated in a lecture this afternoon at the local Catholic university.

Referring to the presidential message, Alfonsin said, "He spoke about democracy at the same time that dissidents were being repressed. An aggressive monopoly on patriotism was displayed yesterday."

"Beyond this strange, threatening and incomprehensibly triumphalist speech, I repeat that the only way to honor the men who fought and died for the fatherland is returning to the Argentines the prestige of their country, the freedom, justice and the morale," he stated.

Alfonsin went on to say that "it would be intolerable for so many Argentine lives to have been lost to pretend at the end that they have died for the process" of national reorganization.

"The marvelous solidarity of Latin American peoples has not been expressed with this government; it was with the Argentine people, despite the government," he said.

He concluded that following "the difficult moments we have experienced, no one has the right to use the unity of the Argentines to prop up a government which is crumbling."

Various Politicians' Views

PY170032 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2128 GMT 15 Jun 82

[Text] Buenos Aires, 15 Jun (NA) -- The leaders of various political parties agreed in pointing out today that the withdrawal of the Argentine troops from the Malvinas Islands will not prove an obstacle to continuing the diplomatic and political struggle to finally recover the archipelago. Political leaders questioned by NOTICIAS ARGENTINAS also expressed their conviction that the process of a return to democracy should be speeded up after the events in the Malvinas.

Carlos Contin, head of the Radical Civic Union, maintained that the cease-fire concluded in the Malvinas Islands "was the only thing the Argentine military commander could do in the face of the enemy's numerical and technological superiority," and he therefore urged that the troops returning from the front should be received "without any reproach."

He added: "Prior to yesterday, we demonstrated that we have courage, boldness and the ability to stop the two allied powers who were coming against us."

He went on to say that "we are going to welcome the armed forces with the same joy as if they had won, because they have recovered and strengthened their prestige, equalling the armies that freed the Americas."

Contin said: "These armed forces, along with a united people, are going to quickly start the process of the institutionalization of the republic. The institutionalization of the country is going to be much easier in the wake of 2 April."

He reiterated his call for "demonstrating great national solidarity" in welcoming the troops returning from the Malvinas "without any reproach so as to start the process of national reconstruction."

Contin was asked about the position of his fellow party member Raul Alfonsin who yesterday publicly demanded the immediate resignation of the military government to initiate a period of civilian transition toward democracy.

Contin said: "I believe that when a request for resignation is made, there must be a replacement team. One of the Argentine faults is that always at times of conflict we are ready to throw out governments without worrying about what comes after."

He proposed, however, that "an overall evaluation of the Malvinas affair should be made -- an episode which is a slight reverse for the armed forces -- in order to find a solution beneficial to the republic" because, he said "I do not know what would happen if all of this breaks down."

He added: "This government of the armed forces will have to be maintained by the armed forces itself. Civilians do not want to confront the armed forces, therefore, we want the next solution to be between civilians and military." [sentence as received]

In conclusion, Contin said that "The day when civilians and the military are able to reach the objective of putting the Constitution above everything -- as a banner and program -- that day we will achieve the Argentina dreamed of by those who built the country."

Rogelio Frigerio, first vice president of the Integration and Development Movement, said that there were no "surprises" in the Malvinas because the military outcome was predictable from the start of the conflict due to the differences in number of troops and technology between the two sides."

He said: "The new fact is that our soldiers fought heroically and our people made sacrifices for a great national cause."

However, Frigerio emphasized that "a distinction should be made between the attitude shown by the soldiers on the Malvinas and the political leadership which led us to the outcome suffered by all Argentines."

He said: "Therefore, we must honor the soldiers, but there are no excuses for the government which has led the country to an extremely difficult situation" and that "now the country must assume responsibilities and rebuild the nation."

In conclusion, Frigerio advocated "an agreement between the basic sectors of society, between civilians and the military to build the country we all want based on truth and national dignity."

Francisco Manrique, former minister of social welfare and head of the Federal Party, said that "this is not a defeat for Argentina, it is only a stumble," but it is "the final end of the so-called process of national reorganization."

He added: "The time has come for consultations with the people, because this internal political situation can no longer continue."

He then said that the government "still has responsibilities, that of giving the correct answer because unfortunately we, the people on the street, have very little or no information on what really happened on the Malvinas."

Arauz Castex, Peronist and former foreign minister, considered the cease-fire and the withdrawal of Argentine troops from the Malvinas "unacceptable," calling for "putting forth all Argentine willpower to confront the British claims."

He added: "We now need a great cohesion, a tremendous cohesion. We need it more than ever to face this painful situation.: He explained, however, that "it is also necessary to delimit responsibilities."

Carlos Auyero, deputy secretary of the Christian Democratic Party, said that it is necessary "to obtain peace, a peace which does not depend on the colonialist enemy, but on our decision to obtain popular sovereignty, social justice, the economic well-being of the people and our own cultural identity."

He said: "What happened after 2 April should permit us to base our reconciliation on Christian principles and always keep in mind never to advocate war again."

Auyero said that our claim and the final recovery of the Malvinas Islands "must continue in the political and diplomatic field."

Vicente Solano Lima, former vice president of the nation and head of the Popular Conservative Party, excused himself from giving an opinion "until the government position on this painful situation is known."

Miguel Monserrat, member of the Intransigent Party and former mayor of Lanus, said that "this military outcome (in the Malvinas) was predictable because we were facing the great NATO powers, one of the largest military alliances in the world."

He said: "This, in reality, has been one more struggle between the developed North and the poor South; a struggle between imperialist countries and countries which really want to be autonomous."

Jesus Mira, member of the Communist Party and former national deputy, said the cease-fire "does not mean that we have to stop our political and diplomatic action to definitively recover the Malvinas Islands."

He said that it is necessary "to prevent the installation of military bases or the exchange of our sovereignty for foreign military bases." He supports the "urgent change of our internal policies so that by fully enforcing the national Constitution the people can continue their liberating struggle."

Horacio Domingorena, secretary general of one of the sectors into which the Popular Line Movement is divided, said that "the worst thing we could do now is to encourage a confrontation between civilians and the military."

He added: "This is the time to reach a national agreement between civilians and the military; not with military figures or sectors but with the armed forces as an institutional body so that the reconstruction and normalization of the nation's institutions can really be carried out without delay."

The Popular Socialist Party (PSP) expressed its solidarity with the Argentine soldiers who "have given and are giving their lives in defense of national sovereignty." The PSP supports "the continuation of the struggle through diplomatic and military means for the final recovery of the Malvinas Islands."

Victor Garcia Costa, PSP general secretary, said in a declaration that "the anti-imperialist and anticolonialist struggle started by Argentina and supported by the countries and people of Latin America and the Third World can only conclude with the final recovery of the archipelago."

Carlos Lorenzo Canon, member of the national political council of the Party for Social Democracy, said that "the historic blood shed by our soldiers on the Malvinas Islands will fall on those responsible for the wrong strategy decisions that were made."

He added: "It is inevitable that everyone will demand an explanation from those who -- having eliminated the institutions of the republic -- arrogated to themselves the right to life and death, peace and war over all the citizens of the fatherland, over the people who are the real sovereign."

He said that "now, as in the past, the slogan is: Fatherland or colony. The struggle will only conclude when we Argentines stop being colonized in our own territory, when we stop being goverened by the lackies of the imperialist colonialists installed in the government."

Nestor Vicente, member of the Christian Democratic Party, said that the "struggle against imperialism must continue, though this does not mean that the war must continue. Now that this war, which has been called a battle, is over, the decision for war is up to the people and not to the military."

He added: "The country needs to get involved in the crisis and start reconstruction with hope. To do this it is necessary for the military dictatorship to now put power into the hands of a civilian government, without any tutelage, and quickly return sovereignty to the people."

Aldo Ferrer, former minister of economy, said that it is necessary "to start a democratic process, put power behind the will of the people, start a policy of greatness, mobilize our potential, correct so many mistakes and finally gain experience from this painful event."

He added: "The country can no longer continue living outside the national Constitution. I believe that a historic cycle of events has ended and that a new one must start to definitively build the country we all want."

Further Details

PY170326 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2150 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- Leaders, parties and political organizations today voiced their demands concerning the latest events in the Malvinas Islands asking for urgent changes in the socioeconomic policy and the prompt return to democracy.

Either through documents released today or through answers to questions asked by NOTICIAS ARGENTINAS, politicians also agreed that despite the negative result of the war, Argentina will not give up its claims over the Malvinas Islands.

The Integration and Development Movement (MID) has issued a statement saying that the Malvinas events call for "a series of attitudes of moral and material reconstruction, unselfishness, giving up all sectarianism and avoiding evasions and the concealment of the truth."

The statement adds: "The courage of our soldiers and the sacrifice made by our people should be praised, while the government's political leadership has led us to a result for which our country had to pay such a high price in human lives, material losses and frustration of the people's feelings."

The statement, which is signed by Arturo Frondizi and Rogelio Frigerio, MID's president and first vice president respectively, adds that "the balance of forces in the South Atlantic conflict was not correctly estimated, and we were driven into a war which could only end the way it did."

The statement goes on to say that "in order to overcome this difficult situation it is necessary to avoid the entire nation feeling responsible for what happened, and for this purpose those who are really responsible should be identified."

Finally, after stressing that Argentine rights over the Malvinas will not be relinquished, the document states that "it is now necessary to reach a programmatic agreement among all social and political sectors, including the military" in order to "march toward a true democracy."

For his part, Antonio Gaffiero, who was economy minister during the last Peronist administration, has said that "it is now necessary to follow the path leading to national economic recovery" because should the present socioeconomic policy continue, "the situation will become each day increasingly ungovernable."

He added that Argentina witnessed in March "a social outbreak that revealed only the tip of the iceberg. Deep concern and skepticism with respect to the economy lay behind those street demonstrations."

Radical Leader Juan Carlos Pugliese, former economy minister, has said that "the hardest thing for Argentina seems to be the payment of compensations" on the Malvinas war.

"The one who had more power on the battlefield is the one who finally imposes the conditions. Let us try to obtain from the British only the withdrawal of the Argentine troops, and the rest will have to be subject to negotiations."

Pugliese then reiterated that "after the result of this war it is necessary, now more than ever before, to start the wished-for march toward the institutionalization of the nation without delay."

In turn, a lengthy statement issued by the metropolitan committee of the Intransigent Party (PI) says that "today more than ever before, national sovereignty has been jeopardized in the wake of an irresponsible adventure undertaken by an illegitimate government which disregards the Constitution and all other national interests."

The document states that "the military dictatorship, which is the ally of multinational companies and which bends to the dictates of U.S. and European imperialism, has sought to save its image through an act of vindication of our territorial sovereignty, an aspiration deeply rooted in the feelings of many generations of Argentines."

The document, which is signed by Raul Rabanaque Caballero and Jose Valles, states that "our party has supported the recovery of the South Atlantic islands and has expressed, together with the entire Argentine people, its enthusiasm over this action, in spite of the fact that the government did not consult any sector on the serious step it took."

The PI then states that "with deep pain we see today that this has been a truly irresponsible action, that the lives of thousands of young Argentines have been sacrificed while the promise made to the people that the islands would be defended at all costs, resorting if necessary to the solidarity of all countries, was not fulfilled."

Finally, the document states that the Argentine people "should continue with their struggle for total sovereignty, so that the people may fully exercise their sovereign rights and secure the compliance with each of the goals of national and social liberation."

Meanwhile, Martin Dip, the assistant secretary general of the Christian Democratic Party, has said that the outcome of the South Atlantic war "in no way means that we Argentines will relinquish our sovereign rights over the Malvinas Islands."

He appealed to the Argentine people to express "their acknowledgement and tribute to the soldiers who have defended national sovereignty" and "to keep alive our sovereignty claim over the South Atlantic islands because it is an inalienable right."

He added: "We should now start a new stage in which each sector should comprehensively fulfill the role it has to play within Argentine society."

He stressed that the armed forces "should return to their specific functions in order to reach the optimum level of professional performance and to serve more efficiently the defense of sovereignty," while "civilians should lead the country unselfishly, efficiently and patriotically."

For his part, former Peronist Economy Minister Emilio Mondelli has demanded the application of a "strategy which may facilitate a national sovereignty policy based on the comprehensive and harmonious development of the country."

He proposed what he called "a package of simultaneous measures aimed at beginning the march toward development," including a "considerable devaluation; the application of substantial withholding on exports; further restrictions on imports; an increase in public service rates until the fiscal deficit is eliminated; and a substantial salary increase."

Mondelli stressed that "a generalized sincere attitude is needed, not only in the economic area but also in the political arena, in order to definitively overcome this chaos."

For its part, the Central Committee of the Argentine Communist Party has praised "the generous heroism of our soldiers and armed forces in defense of Argentine sovereignty on the Malvinas Islands," remarking that "today as always our cause is just and we shall win the historic struggle of our people against the criminal aggression of the Anglo-Yankee imperialism."

The Communist Party recalls: "We have said that the military cannot solve the national problem by themselves; neither can the civilians. Then, with no further delay, we should organize a national emergency council made up of civilians and the military for the implementation of a program of national salvation."

Former Socialist Councilor Hector Polino has repudiated "secret diplomacy and any attempt to negotiate a pact over the Malvinas Islands behind the back of the people or impairing Argentina's legitimate territorial rights."

He added: "The socioeconomic policy based on foreign standards should be ended, and the abnormal institutional status of the country should be changed, returning as soon as possible to the full operation of the democratic institutions as prescribed by the Constitution."

In turn, Progressive Democratic Party Chairman Rafael Martinez Raymonda has proposed a program jointly implemented by civilians and the military in order to "seal the great Argentine reconciliation."

He added that "the crisis is so profound and the alternatives which have been offered recently are so exhausted that few paths seem to be left. Therefore, it is necessary that all of us together, without selfishness, build the great nation our forebears dreamed of."

Martinez Raymonda said that such a program should have "deep national content and inspiration, since there is no more room for foreign formulas transplanted to our country."

Federal Party Declaration

PY161449 Buenos Aires TELAM in Spanish 1909 GMT 15 Jun 82

[Text] Buenos Aires, 15 Jun (TELAM) -- Federal Party [PF] Leader Francisco Manrique released a declaration today, in which he says that after overcoming the pain and indignation, we, the Argentines, must raise our heads to assert our convictions and to tell the world that the Malvinas belonged and will continue to belong to us, notwithstanding the arrogance of those who are powerful.

Manrique adds in his brief declaration, released in this capital, that being prudent regarding the judgements made in this critical situation is advisable.

"But," Manrique noted, "all the same, it is worthwhile saying that we have to wage the great battle for civilian rule to seek a republic in which those people who act in good faith and who offer their effort and blood will be able to play a part in determining the country's fate."

Francisco Manrique will participate in the meeting of the PF's National Board which will be held at PF headquarters, located on 67 Riobamba Street, 3d floor, tomorrow at 1830.

The national situation will be discussed during the meeting and it was said in advance that some decisions will be adopted in this regard.

ACTIVE BRIG GENERALS TO DISCUSS ISSUES 17 JUN

PY162153 Buenos Aires TELAM in Spanish 2111 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (TELAM) -- Tomorrow the active brigadier generals based in the country will analyze the Argentine situation at the international level as well as subjects related to various areas and the institutionalization plan which will be implemented when it is approved.

It was officially disclosed that the meeting will be presided over by Air Force Commander in Chief Lt Gen Basilio Arturo Lami Dozo and will start at 1700 in the Condor Building, air force headquarters.

The behavior of the air force during operations will also be discussed during the meeting.

MENENDEZ, OTHERS REPORTEDLY TAKEN TO ASCENSION

PY162257 Paris AFP in Spanish 2208 GMT 16 Jun 82

[By Oscar Martinez]

[Excerpt] Buenos Aires, 16 Jun (AFP) -- Despite official denials, rumors of a cabinet resignation or a resignation of some cabinet members, namely Foreign Minister Nicanor Costa Mendez and Interior Minister Saint Jean, continued to circulate today.

The president himself told newsmen on Tuesday that he knew nothing about those resignations. It was repeated today in unofficial sources that the government did not intend to change its cabinet team.

The president was even quoted as saying: For the time being I will not accept resignations.

There are reportedly different reasons for the resignations. Some are resigning out of solidarity with the government over the outcome of the Malvinas crisis and to give it freedom of action, others due to the brutal police repression of a demonstration which was encouraged by the official media, and Costa Mendez would be asked to resign for having publicly used the word surrender.

Regarding the military situation, well-informed sources have reported that two large merchant ships are heading for the Malvinas to take back to Argentina those soldiers who put down their arms.

Although only fragmentary reports are received from Soledad Island due to tighter restrictions imposed by the British, it was learned in press circles that Gen Oscar Jofre, the troops' commander, was charged with implementing the agreements on cessation of hostilities.

Gen Mario Menendez, chief of the garrison and former governor of the Malvinas; Gen Oscar Parada, Rear Adm Edgardo Otero and Brig Gen Luis Castellanos were reportedly taken to Ascension Island on board a British warship.

Their return as prisoners of war will reportedly be carried out through Montevideo, the Uruguayan capital, which has been used for this purpose during the 75 days the conflict lasted.

The soldiers will be returned without arms, or ammunition, in accordance with the agreement concluded by Gen Mario Menendez with Gen Jeremy Moore, commander of the British forces that disembarked on the islands.

MILITARY SOURCE REFUTES REPORT ON PRISONERS

PY170501 Paris AFP in Spanish 0405 GMT 17 Jun 82

[Text] Buenos Aires, 16 Jun (AFP) -- A high military source said tonight that Argentina never had more than 9,000 men on the Malvinas, thus refuting British reports known here that the Argentine prisoners numbered some 15,000. According to the source, "this British report should be understood as an effort to partly justify the high cost of expedition and at the same time an effort to pressure the Argentine public in order to gain advantage in possibly upcoming negotiations."

When asked about the plans to evacuate the islands, the source said that at present there are no communications with the archipelago, so the time and manner of the return of the prisoners to the mainland cannot be estimated.

When urged to make a general evaluation of the 72 days of fighting in the South Atlantic, the source asserted that during that period Great Britain lost more ships than in World War II.

He concluded by emphasizing that the strong logistic support received by Great Britain was particularly noticed during the fighting in the San Carlos zone, where the British succeeded in replacing their materiel with great speed despite the continuous and effective attacks, particularly by our air force.

COSTA MENDEZ MAY LAUNCH DIPLOMATIC OFFENSIVE

PY162132 Paris AFP in Spanish 1759 GMT 16 Jun 82

[Excerpts] Buenos Aires, 16 Jun (AFP) -- Argentina is prepared to resume a diplomatic offensive to continue to strive for its rights over the Malvinas Islands in the wake of the adverse results it obtained in the military field upon the fall of Puerto Argentino (Port Stanley).

Foreign Minister Nicanor Costa Mendez is determined to go again to the United Nations to request compliance with UN Security Council Resolution 502, which was issued at the outset of the Anglo-Argentine crisis, Foreign Ministry sources said this morning in Buenos Aires.

The first step was to aim the bulk of the Argentine foreign policy toward consolidating its ties with Latin American countries. A certain improvement has been observed in the Argentine-Chilean relations which were cool due to the Beagle Channel dispute.

Chilean Ambassador Sergio Jarpa Reyes this morning again denied press reports from London indicating a certain connection between British and Chilean intelligence activities.

Diplomatic observers noted that the Argentine Foreign Minister even discussed the Palestinian problem, which is irksome to sensitive military sectors, and voiced support for the struggle of the people led by Yasir 'Arafat.

Sources linked to Arab official representatives accredited in Buenos Aires have said that a favorable decision could be given in the next few weeks to the establishment of an Arab League office in Argentina. Argentina's failure to give official recognition to the Arab League has made Middle East countries reluctant to give steady support to Argentina.

Argentine diplomatic actions will begin by notifying the UN Committee for Decolonization its reaffirmation of Argentina's inalienable rights over the Malvinas, reliable sources said.

BOMB SCARE REPORTED AT U.S. EMBASSY 16 JUNE

PY161634 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1623 GMT 16 Jun 82

[Text] Buenos Aires, 16 Jun (NA) -- The U.S. Embassy in Buenos Aires confirmed today having received a telephone call saying that a bomb had been placed inside its premises.

The unidentified person said that a bomb had been placed in the area of the embassy's tennis court.

Police forces searched the place and found that no such bomb had been placed in that or in any other place within the embassy.

Some spokesmen for the U.S. Embassy also dismissed the possibility that a fire which broke out in a building close to the U.S. Embassy had anything to do with the attack on some official of the embassy, because no U.S. diplomats live in the building.

HERALD CITES MILITARY SPOKESMAN ON ARMS SUPPLY

PY160631 Buenos Aires HERALD in English 15 Jun 82 p 2

[Editorial: "A Very Bad Day]

[Excerpts] Editors of local newspapers were called last night to the headquarters of the joint chiefs of staff of the armed forces to be given the bad news. A spokesman said that Argentine troops defending Puerto Argentino in the Malvinas Islands had had "a very bad day." The situation, editors were told, had "reversed," and it was because of this that the commanders of the Argentine defenders and the British invaders met for talks in the islands' capital. What had happened clearly, a spokesman for the joint chiefs of staff indicated, was that Argentina was losing the battle for Puerto Argentino. Argentina was having, due to serious restrictions on Argentine purchases on the international arms market, real problems in trying to replace equipment lost in battle, while the British, whose equipment was already technologically superior to that being used by Argentine troops, were receiving a constant flow of arms and other war material. "Everything has an end," the spokesman indicated, and a decision had to be taken to reevalute Argentine chances of continuing the fight against Britain in the Malvinas.

Everything, indeed, has an end, but this is hardly the end of the Malvinas Islands issue which is going to resound throughout national and international politics and diplomacy for some time to come.

No matter how wrong by international standards the exceptionally careful and comparatively nonviolent Argentine occupation of the disputed islands may have been the generalized reaction of the nation in defence of its interests in the face of the disproportionate British invasion has been mature, honourable and admirable.

TRADE OFFICIAL COMMENTS ON NEW MARKETS

PY161749 Buenos Aires HERALD in English 16 Jun 82 p 9

[Text] (DYN) -- Czechoslovakia hopes to buy 500,000 tons of corn and between 10,000 and 50,000 tons of beef, oil seed, and vegetable oils from Argentina, it was learned, yesterday.

A Czechoslovakian trade delegation met with Commerce Secretary Alberto de las Carreras on Monday, presenting the government with a number of proposals, in a sign that Argentina is finding new customers for its exports.

The Czechoslovakian trade leaders also expressed interest in participating in Argentine hydroelectric projects.

Meanwhile, Carreras announced that China's vice-minister of agriculture will visit Argentina.

Speaking to the Argentine chamber of commerce, Carreras also said the government has launched a programme to "promote trade with countries which have supported Argentinas' position in the Malvinas affair."

He said "the adaptation of import and export regulations" is being studied "to give businessmen the opportunity to stimulate foreign trade permanently."

Carreras stressed the importance of alternative markets for Argentine products such as Andean Pact countries, Africa, the Soviet Union, as well as socialist, Asian and Arab countries.

Argentina's search for alternative markets comes amidst a ban on the importation of Argentine goods by European Economic Community countries as a result of the Malvinas conflict with Britain.

Carrera spoke of "certain possibilities of economic cooperation" with Spain, Switzerland, Austria, Sweden, Finland, Italy, and Ireland.

U.S. DOLLAR EXCHANGE RATE TO BE KEPT HIGH

PY151457 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2215 GMT 9 Jun 82

[Text] Buenos Aires, 9 Jun (NA) -- The national government is going to maintain the dollar exchange rate high in order to increase the surplus of the trade balance and pay with that currency part of Argentina's large foreign financial commitments.

This remark was made by a high source of the Finance Ministry last night. He added that "for the time being" the strategy of periodically readjusting the exchange rate aimed at preventing the "negative effects of a strong devaluation" will be maintained.

ITAMARATY MAKES NO COMMENT ON ARGENTINE SURRENDER

PY161420 Paris AFP in Spanish 1919 GMT 15 Jun 82

[Text] Brasilia, 15 Jun (AFP) -- The Brazilian Foreign Ministry today refused to comment on the surrender of the Argentine troops in Puerto Argentino (Port Stanley). It was recalled that throughout the conflict the Brazilian Government maintained a position of extreme prudence, and it reiterated its initial position in favor of Argentine sovereignty over the Malvinas Islands.

The Brazilian press, which did not spare criticism of the government during the Malvinas war, is now wondering about the consequences the defeat might have for the Buenos Aires government. In an editorial entitled "Useless Sacrifice," JORNAL DO BRASIL noted that the Argentine Air Force covered itself with military glory. That glory is not shared by the rest of the regime and it came at too high a price. According to the paper, "the Argentine people were sacrificed to the utmost in a war they never desired, and the military junta showed great immaturity in the conflict.

The economic newspaper LA GAZETA MERCANTIL asserted that British political circles consider that pure and simple reestablishment of the colonial administration is not viable. "An internationalization of the administration of the islands is foreseeable in the short term," it added.

Recognizes Sovereignty

PY170306 Paris AFP in Spanish 0022 GMT 17 Jun 82

[Excerpt] Brasilia, 16 Jun (AFP) -- Brazil expressed its solidarity today with Argentina, a brotherly nation, and its conviction that the Argentine people, in the same way in which they have the right and the duty to honor patriotism and the courage of their sons, will also know how to overcome, united and fortified, occasional difficulties and contribute to peace and progress in the whole region.

In a note distributed to the press by the Ministry of Foreign Relations, the Brazilian Government recalls that since 1833 Argentina has not stopped demanding its sovereignty over the Malvinas and that Brazil recognizes the legitimacy of that demand. Brazil, as it has always done, favors the search for a political and diplomatic solution because we believe the controversy cannot be decided through the use of weapons, the note states. The text of the note adds that under these conditions, everyone must accept and support the negotiation outlined by Resolution 502 of the UN Security Council, which is legally mandatory, and other means of solution provided for in the UN Charter.

SUPERTANKER ORDERED TO SEA AFTER BOMB DISCOVERED

PY161630 Paris AFP in Spanish 1557 GMT 16 Jun 82

[Excerpts] Rio de Janeiro, 16 Jun (AFP) -- The Liberian supertanker Hercules was ordered to leave the port of Rio de Janeiro because it had a bomb on board, it was reported here today.

Capt Juliano Galo, a spokesman for the Rio de Janeiro naval base, said 28 crewmembers have abandoned the ship for security reasons.

The ship was to be repaired in a yard in Rio de Janeiro, but its captain, Henzo Battagliarin, found the bomb Monday and reported it to Brazilian authorities, who decided to dispatch the supertanker to the high seas until the bomb is removed or defused.

REPORTS OF COOPERATION WITH UK FORCES DENIED

PY170430 Buenos Aires TELAM in Spanish 0350 GMT 17 Jun 82

[Text] Buenos Aires, 16 Jun (TELAM) -- The Chilean Embassy here today termed reports regarding alleged Chilean cooperation with the British armed forces to control air activity in the southern area of Argentine territory "absolutely false and ill-intentioned."

An official embassy communique says:

"1. This information is absolutely false and ill-intentioned.

"2. It has also been verified that the report published is incomplete, since it did not include the categoric denial made during the same television program from which this rumor originated."

PRESIDENT EXPLAINS BACKGROUND TO DEVALUATION

PY162049 Santiago Chile Domestic Service in Spanish 1730 GMT 16 Jun 82

[Graciela Contreras report from La Moneda Palace]

[Text] The president of the republic today said he had decided to devalue the peso because this was the fairest option, even though the same results could be achieved through other means. He said devaluation was the soundest action and hoped it will be instrumental in solving problems.

Asked if the devaluation marked the collapse of the economic policy, he gave a categorical no. He added that if one were to view things from that standpoint there would be a great deal of speculation. He noted he will give more details to the press on Friday.

The president answered these questions at the end of a 2-hour meeting he held at the Diego Portales Building with ministers, under secretaries and generals and admirals of the Santiago and Valparaiso garrisons. The meeting, which began at 1100, was designed to provide clarifications and to dispel doubts, Pinochet said.

Asked when the economic measures will be announced by the government, he said: Either Thursday or Friday. He noted that a few signatures are still needed before releasing it to the public.

In response to a question as to why he devalued the peso, he told newsmen he wanted to make one thing quite clear: If I told you today that the peso would be devalued tomorrow, you would go directly to the bank, because by buying the equivalent of 100,000 pesos in U.S. dollars, tomorrow you would have 118,000 pesos. You cannot ask me that question because I will always give a no for an answer.

EXILED MONTONEROS DECRY SURRENDER, DISSENSION

FL161155 Mexico City NOTIMEX in Spanish 0340 GMT 16 Jun 82

[Text] Mexico City, 15 Jun (NOTIMEX) -- Montoneros here today deplored Argentina's surrender in the war against Great Britain and expressed confidence that the people would rise above the dissension among political leaders to overthrow President Fortunato Galtieri.

Delia Carnelli de Puigros, a spokeswoman for the Peronist Montoneros exiled in Mexico, said ironically that "the government junta showed that though it is a military junta, it was not military enough to even conduct a war to defend Argentine sovereignty."

The former secretary general of the Peronist Party of Argentina, Juan Manuel Abal, said curtly that he had no comment and that he needed more information from Buenos Aires to comment on the situation.

Carnelli de Puigros said that this stance was evidence of the dissension that exists among the leaders of at least four political factions comprising the movement that might presumably constitute a transitional government.

She said that the fight for the Malvinas belonged "to the people in general" and therefore she was confident that "a new leader would emerge from a movement very different from those known at present who would represent the people's desires so Galtieri could be overthrown." She said that this leader would be 82-year-old Arturo Illia.

She said that there had already been an intensification of violence and repression by 30,000 security troops who "rather than guarding the pope and repressing the people, should have fought the British colonialists instead of the young and inexperienced recruits who died.

MUTUAL COOPERATION AGREEMENT WITH GDR SIGNED

FL151240 Mexico City NOTIMEX in Spanish 0440 GMT 16 Jun 82

[Text] Mexico City, 15 Jun (NOTIMEX) -- Mexico and the GDR today signed a mutual cooperation agreement in the areas of chemistry, education, machinery and communications.

The agreement was signed today by Programming and Budget Secretary Ramon Aguirre Velazquez and by Dieter Albrecht, deputy chairman of the GDR State Planning Committee.

According to Velazquez, "It is very important for us to have this document, which presents specific proposals that will be very useful to both Mexico and the GDR."

Albrecht, meanwhile, has commented that "we would like to further expand our bilateral relations in the future."

For his part, Francisco Labastida Ochoa, deputy secretary of programming and budget, has described the GDR's disposition as magnificent.

"This represents the possibility of long-term agreements in areas in which we might exchange manufactured goods produced in Germany and Mexico," he said in conclusion.

CRITICA COMMENDS 'WISE' ARGENTINE DECISION

PA161850 Panama City CRITICA in Spanish 16 Jun 82 p 4

[Editorial: "Argentina Has Not Been Defeated"]

[Text] The wise, sensible and responsible decision of the Argentine Government to accept a withdrawal from the Malvinas, paving the way for an eventual, and hopefully prompt, decision deserves a careful analysis, free of intransigent attitudes.

Argentina well could have kept its battle flag flying in the face of British warmongering and arrogance, encouraged by U.S. interests, but it chose the path advised by prudence: to lay down arms and avoid further sacrifice of thousands of human lives, although upholding its unbending determination to seek justice in its differences with England.

To old England, which took advantage of the situation to revitilize the "laurels" presented by buccaneers Morgan and Drake, this was nothing but a Pyrrhic victory, stained with the blood of young Latin Americans and its own troops. For Argentina, as for the rest of Latin America, this has been a historic lesson that will help strengthen the bonds of nations south of the Rio Grande.

History does not retreat, despite the efforts and power of those who look back — not to improve their future actions, but to reedit past destructive politices. We have faith in history, in the wisdom of Latin American leaders, nourished by this experience, and in greater ideals of a community that invariably advances to meet its historic destiny.

FRANCE CONSIDERS SIGNING CANAL NEUTRALITY PACT

PA161810 Panama City MATUTINO in Spanish 16 Jun 82 pp 1A, 8A

[By Roberto R. Rodriguez]

[Text] On his return from Paris and the United Nations President Aristides Royo revealed the interest of France in signing the Panama Canal Neutrality Treaty.

The Panama Canal Neutrality Treaty opened to all nations when the canal treaties signed October 1977 by Panama and the United States went into effect. Fifteen nations have already signed the neutrality protocol. France would be the first of five world powers to sign this important document.

Royo visited France officially last week and the United Nations on 14 June, where he delivered a speech at the UN General Assembly on disarmament. On his return, Royo told newsmen of French President Francois Mitterrand's interest in helping Panama with its demand that the United States comply fully with the canal treaties.

Royo commented that Mitterrand considers the Panamanian cause just. He voiced support of Panama and promised to talk with U.S. President Ronald Reagan and send him a note on the subject.

"There are so many problems in Latin America now that another one would not be in the best interest of the United States," Royo quoted, referring to his talk with Mitterrand.

The Panamanian chief of state added that France will participate in some projects by granting favorable credits, specifically for hospitals and quarry equipment.

Commenting on the UN attitude toward world problems, he said there is true concern about these problems and their solutions. "There is an expectation that impending greater problems will affect peace," he noted.

COSTA RICA

PRESIDENT MONGE DISCUSSES 20 JUNE VISIT TO U.S.

PA161435 San Jose Radio Reloj in Spanish 0100 GMT 16 Jun 82

[Text] President Luis Alberto Monge will leave Sunday for the United States to meet with President Ronald Reagan at 1130 Tuesday. The issues to be discussed by the two chiefs of state will basically deal with our opinion of how the United States can help us maintain our democracy and how to help the nations of the area find peace and open the way to democracy, Monge said. He explained that the basic motive or his trip is to seek economic and social support, because we interpret the invitation as revealing a clear awareness of the problems affecting us, and showing that it is possible our recommendations have been duly considered. We feel that not just military factors should be considered in the crisis affecting the Central American and Caribbean nations, but also the social and economic factors behind the crisis, the president noted.

President Monge Alvarez said Costa Rica doesn't actually need military aid, except the equipment required to improve our police and national security services. The fact that we do not need military aid gives us the right expect that the economic aid required by the nation will be received with the same speed that military aid is offered. The Costa Rican chief of state said that at his meeting with President Reagan he will reiterate his idea that recourse to arms to stop the expansion of Marxism-Leninism is not popular in the area. Costa Rica offers a more effective long- and medium-term political recourse which has the support of the people. This involves bolstering democracy and showing that it can solve the problems of production and misery of a country, he added. Without going into detail on whether military aid is justified, Monge said Costa Rica offers Western democracy an instrument which in the medium and long term is the only one that can actually defeat the menace of communism.

During his stay in Washington, President Monge will meet with senators and representatives who, pressed by domestic politics, oppose the Reagan aid plan. We will try to promote approval of the plan as soon as possible, since it is the only real way to help us by opening the U.S. market, Monge said. Monge Alvarez will also meet in Washington with OAS Secretary General Alejandro Orfila and in New York with UN Secretary General Javier Perez de Cuellar. In the latter city, he will also meet with investors and bankers and U.S. labor representatives. He will also address the Council of the Americas in New York. The Costa Rican president will visit the West Coast to meet with businessmen and financiers who have expressed their interest in helping in the country's economic and financial recovery.

President Monge will be accompanied by Foreign Minister Fernando Volio, information adviser (Armando Vargas), economic adviser (Rodolfo Silva) and by (Rolando Lacle Castro) and [first name indistinct] (Jimenez Monge), in addition to representatives of democratic unions, the business sector, the president of the board of directors of LA NACION, and the news directors of television channels 6 and 7. This afternoon, the president sent to the Legislative Assembly president his request for permission to leave the country from 20 June to 14 July, to respond to an official invitation extended by U.S. President Ronald Reagan. The letter was read and approved by the assembly.

JOINT BORDER COMMISSION FORMED WITH NICARAGUA

PA162020 Managua Domestic Service in Spanish 0300 GMT 16 Jun 82

[Text] San Jose, Costa Rica (ANN) -- Costa Rican Foreign Minister Fernando Volio said that Costa Rica and Nicaragua today formed a mixed commission to analyze and solve any border problem that might arise in the future. The Costa Rican official, who met today with Victor Hugo Tinoco, Nicaraguan deputy minister of foreign relations, said the two governments are interested in solving the border conflicts.

Tinoco arrived today in Costa Rica to discuss some incidents that took place in the common border area. During the meeting, the two officials reiterated their desires to strengthen relations between their two countries. Both Volio and Tinoco said the meeting was positive. This is the first meeting between the Costa Rican and Nicaraguan foreign ministers since 8 May, when President Luis Alberto Monge was sworn in.

Foreign Minister Volio was invited to visit Nicaragua during the first week of July. Deputy Minister Tinoco said Volio is interested in learning about the progress achieved by the Nicaraguan revolutionary process. The Costa Rican foreign minister visited Nicaragua early in 1979 as part of an OAS commission that investigated the Somoza dictatorship's violations of human rights. The Costa Rican Foreign Ministry said the date of Volio's trip to Nicaragua has not been set.

EL SALVADOR

ARMY'S SITUATION IN PERQUIN TERMED 'DIFFICULT'

PA162224 San Salvador EL MUNDO in Spanish 15 Jun 82 p 3

[Excerpts] The armed forces press committee, COPREFA, described the situation of army units which, for the past 11 days, have been trying to recapture Perquin in northern Morazan as "very difficult." A COPREFA spokesman said that guerrillas still control an extensive area of that department, and that the weather conditions have hindered the government's cleanup operations.

The sources said that the situation in Perquin has become quite difficult and that bloody battles against the subversives continue in the area. It has been reported that the armed forces are only waiting for the rains to abate before unleashing a final offensive in northern Morazan, which, for the second time this year, has become a war-torn area.

Today, it was reported from San Vicente that government forces began mobilizing last night for an operation that began along the road from the Apastepeque Lagoon to Santa Clara, at the Los Cocos turnoff. Reports from the Los Cocos turnoff say that many members of the Atlacatl Battalion, the San Vicente 5th Infantry Brigade, the Cojutepeque 5th Detachment and other military units are combing the area inch-by-inch around Apastepeque, San Felipe, El Junquillal, Puerta de la Quebrada Seca and San Francisco Chamoco, along both sides of the Pan-American Highway.

Today, it was reported from Zacatecoluca, La Paz, San Nicolás Lempa, San Marcos Lempa, Jiquilisco and Usulutan that, adding to the problems caused by the constant rains for the past week, the terrorist groups have stepped up their activities in that section of the coastal highway. Attacks on vehicles and looting in rural communities have increased, and there are many victims of terrorist attacks.

FLORES LIMA REPORTS OPERATIONS TO RECOVER PERQUIN

PA162240 San Salvador EL DIARIO DE HOY in Spanish 16 Jun 82 pp 1, 63

[Excerpt] Yesterday, Col Rafael Flores Lima, chief of the Armed Forces General Staff, said that the army began a military action in the area of Perquin, Morazan, yesterday to dislodge the terrorists who have seized the town. He added that, so far, 8 soldiers have been killed and 42 wounded during the actions in that department.

Flores Lima was interviewed by newsmen shortly after yesterday's decoration ceremony for Col Dennis M. Duggan, defense attache of the United States in El Salvador, in the honor hall of the Defense Ministry. Colonel Flores Lima indicated that the situation is calm in San Francisco Gotera, the capital of Morazan Department, and throughout most of that area, but he admitted that there are problems in Perquin, where a large group of terrorists seized that small town and continue to loot houses and small stores.

The few soldiers protecting the residents of Perquin had to withdraw because they were outnumbered. The terrorists still hold the town. Yesterday, Flores Lima said that the armed forces would begin an operation to recover the town and that the Atlacatl, Ramon Belloso and Atonatl Battalions would see action. He denied that these battalions had already seen action, or that they had sustained casualties. "I think the situation will be under control within 72 hours," the high-ranking officer said yesterday morning.

HONDURAS

MAGANA, SUAZO CORDOVA ISSUE JOINT COMMUNIQUE

PA161540 Tegucigalpa Domestic Service in Spanish 1130 GMT 16 Jun 82

[Joint communique issued by Honduran President Roberto Suazo Cordova and Salvadoran President Alvaro Magana Borja in Tegucigalpa on 15 June -- read by announcer]

[Text] Salvadoran President Alvaro Magana, Borja and Honduran President Roberto Suazo Cordova met in Tegucigalpa and, after a lengthy and fruitful exchange of ideas in a climate of fraternal friendship, issued the following communique:

The Salvadoran president explained the process that his country has been experiencing since the 28 March elections when the Salvadoran people attested to their democratic aspirations and will be strengthening the establishment of a de jure system with peace and social justice whose consolidation is being staunchly sought by the main political democratic forces through a common effort. Within this framework, the Salvadoran President praised the Honduran political process for its great civic spirit because it is an action and great expression of the people's sovereignty. This civic spirit is also a clear example of democracy for Central America because it implements constitutional, free and permanent institutions.

He reiterated his government's commitment to guide his country to a future of peace and progress within a democracy. He said that a new dimension must be given to the traditional ties that unite El Salvador and Honduras by strengthening mutual relations within a climate of fruitful, understanding and positive actions. The Salvadoran president said that he advocates joint efforts to maintain harmonious development in every aspect of relations among countries of the region. He added that he also supports the strengthening of peace, democracy and cooperation in these countries.

For his part, the Honduran president said that he hoped that the Salvadoran process would develop within a democratic and pluralist regime that promotes the necessary economic and social reform for the benefit of the Salvadoran people.

The presidents analyzed the present situation in the region and noted that every effort possible must be made so that the Central American countries can achieve full development and can have relations based on goals and regulations of international law and the principles concerning sovereign equality; nonintervention, repudiation of the use of force, and adhesion to peaceful means to solve conflicts. They also expressed interest in keeping the peace, and in the establishment of goodneighborly relations with understanding and cooperation. They expressed concern over a disproportionate increase in the region's arms buildup and stressed the importance of adopting effective measures to control or regulate it without adversely affecting the security of states.

Regarding this, they emphasized the importance of the peace initiative that the Honduran Government presented at the OAS Permanent Council on 23 March as an appropriate means to have a climate of peaceful coexistence in the Central American region. They underscored that the Central American Democratic Community, created in January, could become a valuable factor of understanding and cooperation if it is updated in accordance with prevailing circumstances.

With regard to this, they agreed that appropriate measures must be adopted to strengthen and expand this community through the participation of other states with democratic governments that are identified with the aspirations of their peoples.

The presidents said that they are interested in invigorating their bilateral relations and agreed on the need to give a real and positive boost to application of the provision of the general peace treaty signed in 1980. This will be done as soon as possible and in accordance with the mechanisms established in the treaty in an effort to implement a definitive border demarcation between the two states.

The Salvadoran and Honduran presidents said that they intend to develop joint projects for the benefit of their two nations. On the regional level, they advocated the creation of proper conditions to reestablish the Central American integration process, the Central American Common Market and the various community organizations. The Salvadoran president thanked the Honduran president for the affection with which he was received and invited him to visit El Salvador. The Honduran president accepted the invitation with pleasure and will make the visit on a date to be duly announced.

Magana Press Conference

PA161755 Panama City ACAN in Spanish 0011 GMT 16 Jun 82

[Text] Tegucigalpa, 15 Jun (ACAN-EFE) -- Salvadoran President Alvaro Magana's visit to Honduras today served "to accelerate the approval of matters such as Central American integration, bilateral commercial treaties, and border disputes." President Magana said his trip had been very short; that "due to lack of time, I was unable to discuss in depth with my friend, Honduran President Roberto Suazo Cordova, the subjects most important to our countries." Magana arrived in Tegucigalpa this morning and ended his tour 7 hours later, after meeting with Suazo Cordova and attending luncheon given in his honor by the Honduran president.

Later, in a very good mood, President Magana participated in a news conference at the Honduran Central Bank headquarters. Magana described his government as one of "national unity" and said that in the international field his administration's main concern is the development of all possibilities for the "Central American Democratic Community." This community was created by the Honduran, Costa Rican and Salvadoran Governments in 1981 for the purpose of "providing political resources for the democratic and economic initiatives of the region."

In El Salvador, "the present regime is trying to maintain and speed up the reforms made by previous administrations, based on a government program that brings together the proposals of the three leading political parties in the country," Magana added. The president displayed optimism on the future of Central American integration, although he admitted that it will take "much time" to rebuild the system. "When the common market was created, the economic situation of the countries was normal; the present political conditions and subversion did not exist. Everything has changed radically and we must overcome this before thinking of a new integration," the chief of state noted.

The Salvadoran president said he is not a politician and disclosed that he had promised his Honduran counterpart that he would return to Honduras as an expert to negotiate a bilateral trade agreement with El Salvador, "since that is the field I belong in, and not the one to which I have been assigned."

Magana defended himself against charges by former Salvadoran President Jose Napoleon Duarte that the present Salvadoran Government is a "political and antidemocratic monopoly. During the democratic process, there are many dissenting voices. The problem is that some people have difficulty accepting democratic procedures. I was elected with the votes of former President Duarte's party," Magana stated.

The Salvadoran president denied that the Salvadoran Army is repressing the people in that country following orders from the U.S. Government. "The Salvadoran Armed Forces are not repressive. They fight subversion in order to protect the people's lives and to protect the nation's infrastructure, which is vital to the country's development," Magana said.

He added that after the March elections, "the guerrillas went on vacation," but later resumed their attacks, and consequently the army has once again come out in defense of democracy and the Salvadoran people. We are beginning a new agricultural season, and I have asked the army to protect the lives and properties of farmers who wish to work, because this is the attitude that can help us, and we must give it protection," he said.

Magana admitted that the Salvadoran economic situation is precarious, but he added that 1982 will be "the last bad year for us. It is true that we are now receiving economic aid from the United States, but 5 years from now we will be lending them money," Magana joked. Magana then excused himself and thanked everyone for "their consideration, which is much more than that of the Hungarians," he said. The Hungarian soccer team today defeated the Salvadoran team 10 - 1 in the world soccer championship series.

NICARAGUA

COMMANDER CARLOS NUNEZ LEAVES FOR BULGARIA

PA161925 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 15 Jun 82

[Text] The president of the state council, Commander of the Revolution Carlos Nunez Tellez, will go to Bulgaria to participate in the commemoration of the death of patriot Jorge Dimitrov. Nunez, member of the National Directorate of the FSLN, was seen off at the Augusto Cesar Sandino International Airport by Commander of the Revolution and Interior Minister Tomas Borge Martinez and other top officials.

Nunez left for that brother country at the invitation of the Bulgarian Communist Party to participate in the first centennial of the birth of the anti-fascist Bulgarian hero, Jorge Dimitrov. Sandinist assembly members Companeros Manuel Morales and Flor de Maria Monterrey will joint Commander Carlos Nunez during his visit to Bulgaria.

STEADMAN FAGOTH DENIES ATTEMPT ON HIS LIFE

PA170421 (Clandestine) Radio 15 September in Spanish to Nicaragua 0230 GMT 17 Jun 82

[Summary from poor reception] Nicaraguan brothers, we will now listen to an interview obtained by Radio 15 September through one of our war correspondents with Steadman Fagoth Muller, leader of the MISURASATA [Miskito, Sumu, Rama, Sandinist Unity] organization. Here are the remarks of Steadman Fagoth Muller during this interview granted to Radio 15 September. Steadman Fagoth's remarks clearly deny the rumors spread by the dictatorship regarding an alleged attempt on his life.

[Begin recording] "These are the microphones of Radio 15 September, which have traveled to the headquarters of the (?Nicaraguan democratic forces) in order to interview MISURASATA leader Steadman Fagoth Muller. This interview seeks to deny the repressive army's campaign to try to make the people believe that Steadman Fagoth Muller was vilely assassinated by commando groups of the sinister state security." Steadman, are you aware of the rumors spread by the repressive army that you have been shot and killed?

[Steadman Fagoth] On (?11) June, a group of gunmen of the FSLN attempted to kill a group of Miskitos, and the gunmen spread the lie that Steadman Fagoth had been wounded. "Once again I want to refute international communism's slanderous campaign and state that I am in good health and I am fighting for Nicaragua's freedom." These actions only give us more courage and determination to oppose the communist military dictatorship. [end recording]

BARBADOS

SALVADORAN GUERRILLA REPRESENTATIVE ARRIVES

FL162148 Bridgetown CANA in English 2140 GMT 16 Jun 82

[Text] Bridgetown, Barbados, 16 Jun (CANA) -- Ramon Cardona, a representative of the underground El Salvador group the Farabundo Marti's Front for National Liberation, is now in Barbados on the first leg of a tour aimed at briefing the English- and French-speaking Caribbean islands on the situation in the strife-torn Central American state. Mr Cardona said he hopes to meet trade unionist, churchmen and politicians. He arrived here two days ago and expects to be in Barbados for one week.

Mr Cardona's group is waging a guerrilla war against the ruling junta in El Salvador, and he claims it controls one third of the national territory. When asked if he thought his group would receive verbal or diplomatic support from the Barbados Government Mr Cardona said he did not know, since the Barbados Government had abstained from taking any stand on El Salvador in international forums.

GRENADA

MINISTER STRACHAN REPORTS ON SURINAME TRIP

FL151726 Bridgetown CANA in English 1713 GMT 15 Jun 82

[Text] St Georges, Grenada, June 15 (CANA) -- Grenada is looking into the possibility of strengthening its trade relations with Suriname, according to Grenada's minister of national mobilisation, Selwyn Strachan. Items under consideration include rice, lumber and palm oil, which are among Suriname's main exports, Mr Strachan said.

Cooperation between the two countries in a number of areas was among the talking points when Mr Strachan held talks with government officials in Suriname last week. Discussions, he said here yesterday, were also held on the possiblity of exchange visit by cultural, sports and other groups and the development of tourism between these two countries as a means of forging closer links. Minister Strachan said that he also extended an invitation to the Suriname people to participate in Grenada's carnival celebrations in April and to examine the process of development here.

TRINIDAD AND TOBAGO

GOVERNMENT CANCELS DEALS WITH WESTERN COUNTRIES

FL160059 Bridgetown CANA in English 2259 GMT 15 Jun 82

[Text] Port-of-Spain, Trinidad, 15 Jun (CANA) -- The Trinidad and Tobago Government today said it was shelving 18 deals with major Western governments, including Britain, France and Japan, for a series of projects here. The move was announced after the twin-island state had complained that projects being implemented by direct arrangements with foreign governments had been plagued by problems including cost overruns, delays in completion, and an absence of technology transfers. The projects include removal of wrecks from the harbour, construction of building, waste disposal and food production. The government said 11 other schemes were under review. The decision follows recommendations of a seven-member committee, headed by Lennox Ballah, permanent secretary in the Ministry of External Affairs, appointed by cabinet to review the arrangements.

The shelved projects include supply of ferry boats by the United Kingdom, construction of an administrative complex in east Trinidad and removal of harbour wrecks by Sweden, and two major constructions schemes by Japan in Port-of-Spain.

Among the lot are six projects by Luxembourg, including waste disposal, technical advice on abattoirs, food production, manufacture of refractory lining, and project management for school feeding.

Arrangements with France to set up agricultural settlements in Tobago, provide ferry vessels between Trinidad and Tobago, and prefabricated highway and parking structures have also been shelved. Cabinet also decided not to proceed with government-to-government arrangements for tackling traffic and parking problems, computer arrangements and programming of the highway division, as envisaged with Belgium.

Government rejected the committee's proposal to shelve two projects with Canada for interim work at the Piarco and Crown Point airports and implemention of the master plan for the two airports, but decided to review them. The green light was given for another project with Canada to establish cold storage facilities.

Other projects involving France which government decided against shelving, but which would be reviewed, were upgrading of the Port of Spain and San Fernando general hospitals, reorganisation of the highways division with West Germany, a master plan for port development and prefabricated low-cost housing with The Netherlands, Point Lisa's housing and urban development and a concrete element factory, in which Sweden was involved. Projects for review also include establishment of a national library and a government printery in which the United Kingdom was involved.

Recommendations of the committee and government's subsequent decision were laid in the House of Representatives on Friday by Minister of Agriculture Lands and Food Production Kamaluddin Mohammed. He is leader of government business in the house. Mr Mohammad told Parliament that foreign governments with which Trinidad and Tobago had concluded the government-to-government arrangements had been notified of the decision.

The committee recommended that projects contemplated, but not yet in the process of implementation, should be referred to the William Demas (Caribbean Development Bank president) task force, appointed to prepare a comprehensive multi-sectoral plan for this country. Relating to existing contracts, the committee recommended that they should be continued, but tighter supervision should be instituted, "with a view to ensuring that time schedules are met, contract specifications of materials are strictly observed, and cost overruns minimised.

Cabinet also accepted a recommendation that preference should be given, as far as practicable, to local consultatants and contractors. As a general rule, bids should be invited only on the basis of adequate pre-planning and complete design, the committee said.

Among other recommendations accepted were that consultants and contractors should be paid promptly, executing agencies should be requested to review and assess the effectiveness of their inhouse monitoring capability, and spelling out in the contract document precise details of the expertise and technology to be transferred, in respect of existing projects. The proposal that foreign consultants and contractors be taxed on their incomes under government-to-government projects was also accepted. The committee also recommended that local professional associations should be invited to "review" the way they arrive at their charges, now based on a percentage of construction costs.

The government-to-government programme was devised six years ago by late Prime Minister Dr Eric Williams (who was in charge of the Ministry of Finance) as a means of speeding up the development programme in the country. The Ballah committee had been set up following Prime Minister George Chambers' 1982 budget speech in which he hinted that he was dissatisfied with the way the government-to-government procedure was working and would launch an investigation into it. Mr Chambers had then pointed out that projects being implemented by direct arrangement with foreign governments had not lived up to expectations and seemed to be suffering from the same weaknesses as other projects, such as cost overruns, lengthy delays, no evidence of technology transfers.

BOLIVIA

PRESIDENT EXPLAINS ENTERPRISE TRANSFER DETAILS

PY161822 La Paz Radio Illimani Network in Spanish 1700 GMT 16 Jun 82

[Excerpt] The enterprises of the Bolivian Development Corporation [CBF] will not be transferred to the private sector until the government makes an in-depth study of whether the measure will be effective or not. President Celso Torrelio Villa told CBF workers during a meeting at Government House yesterday afternoon. During the meeting some leaders of the CBF's national council expressed their concern to President Torrelio over reports that some CBF enterprises might be transferred to the private sector.

CUBA

SOLIDARITY DRIVE WITH URUGUAY PLANNED 17-29 JUNE

FL151128 Havana Domestic Service in Spanish 1045 GMT 15 Jun 82

[Text] A solidarity drive with the Uruguayan people's struggle against fascism will take place throughout Cuba 17-29 June. Political and mass organizations will undertake solidarity activities with the participation of Uruguayans residing in Cuba. The FAR and the Interior Ministry will also carry out activities in their units as part of the drive. The Union of Young Communists will hold meetings with young Uruguayans living in Cuba.

During all these activities in solidarity with the brother Uruguayan people, the crimes and repression by the regime will be denounced, especially the incarceration of thousands of patriots who, like Raul Sendic, Jaime Perez, Hector Rodriguez and Liber Seregni, find themselves in the claws of fascism. The main national rally of solidarity with the brother Uruguayan people will be held on 29 June.

ECUADOR

FOREIGN MINISTER ON RESULTS OF FALKLANDS CRISIS

PA162315 Quito Voz de los Andes in Spanish 1230 GMT 16 Jun 82

[Text] Referring to the Malvinas situation, Foreign Minister Luis Valencia Rodriguez said armed conflict, regardless of its outcome, does not diminish the independence and territorial integrity of a state. In a statement to the press, Valencia Rodriguez added that Ecuador trusts that the conflict between Argentina and Great Britain will now be handled through peaceful procedures provided by international law.

The foreign minister said Argentina's sovereignty over the Malvinas and the surrounding islands should be recognized.

Lessons Learned

PA162323 Paris AFP in Spanish 1519 GMT 16 Jun 82

[Excerpts] Quito, 16 Jun (AFP) -- Luis Valencia Rodriguez, Ecuadorean foreign minister, has said that the confrontation in the Malvinas "obliges Latin America to promptly examine the facts and circumstances to determine what lessons can be learned from the conflict."

Commenting on the results of the conflict, Valencia added that one of the first conclusions to be drawn is that procedures effectively to preserve our peoples' rights and defend them against any future aggression must be adopted. Ecuador, Valencia said, reaffirms that "territorial acquisitions made through the threat or use of force are not valid under the law, no matter how much time has passed."

BRIEFS

NEW GOVERNOR TO OPEC -- Cesar Guerra Navarrete has been appointed Ecuadorean governor to OPEC, replacing Mauro Davalos Cordero. Guerra Navarrete has been general director of hydrocarbons for the past 2 years. [Vienna OPECNA in Spanish 1405 GMT 7 Jun 82 PA]

PERU

OFFICIALS AFFIRM ARGENTINE RIGHTS OVER FALKLANDS

PY170057 Paris AFP in Spanish 1743 GMT 16 Jun 82

[Text] Lima, 16 Jun (AFP) -- All Peruvian political sectors lamented Argentina's current situation in the Malvinas and reaffirmed Argentine sovereignty over these islands. This position was summarized last night by Foreign Minister Javier Arias Stella, who stated that Peru did not expect or desire this outcome to the conflict.

In any case, Arias Stella stated, we are not meddling in the situation and we are awaiting the text of the final agreement to make some comments, considering that the conditions are different now and the Argentine Government is conducting affairs directly with the British Government.

After a meeting with President Fernando Belaunde Terry, the foreign minister said the president regretted that the Peruvian peace proposal was not accepted in due time because this would have allowed a different outcome and one perhaps much more favorable to the Latin American cause.

He added that in the peace proposal we prepared, we considered the Argentine right over the Malvinas Islands. The conflict over the Malvinas has demonstrated the ineffectiveness of the inter-American system, he added. He said we will immediately engage in a profound study of the basis of the inter-American system in order to achieve positive instruments for a revision of that system. There is agreement in this regard among other Latin American foreign ministers.

Luis Percovich, president of the Chamber of Deputies and member of the government Popular Action party [AP], agreed with the foreign minister in regretting the fact that the good offices undertaken by the government did not prosper. He stated that we must wait for a statement by the Argentine Government. Nothing can be anticipated in this regard because to a certain extent it would involve an act of intervention.

Senator Luis Alberto Sanchez of the opposition ARPA, stated that the situation has not changed because the Argentine rights, which can be considered historical rights, remain and Great Britain will continue defending the rights it has had regarding its possession of the islands for 149 years.

Sanchez stated that Argentina must now restructure its economic cadres, revise its constitution and political organization and maintain the historical principle of its right over the Malvinas now through legal channels.

Senator Rolando Brena of the United Left, who agreed with his colleague on the latter point, stated that Argentina will not give up its sovereignty over the Malvinas, and added that this country had fought alone, without the aid of Latin America, against Great Britain, NATO, the EEC and the United States.

AP Deputy Javier de Belaunde stated that after the military conflict the Malvinas case must be taken to the International Court at The Hague by Argentina, which must also continue presenting it at the United Nations and other international organizations.